

Message Text

LIMITED OFFICIAL USE

PAGE 01 LONDON 00621 01 OF 02 140119Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-04 H-01 INR-07 L-03 NSAE-00
NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 ACDA-07 OMB-01
TRSE-00 SAJ-01 /067 W
-----140134Z 036045 /64

R 131729Z JAN 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 9446
SECDEF WASHDC
INFO USMISSION NATO BRUSSELS
USCINCEUR
USNMR SHAPE
CINCUSAREUR
CINCUSNAVEUR
CINCUSAFE

LIMITED OFFICIAL USE SECTION 01 OF 02 LONDON 00621

E.O. 11652: N/A
TAGS: MPOL. UK, NATO
SUBJECT: DEBATE ON UK DEFENSE SPENDING

REF: A. LONDON 401 B. LONDON 500

SUMMARY. THE GOVERNMENT DEFEATED THE OPPOSITION MOTION
ATTACKING THE 300-MILLION-POUND CUT BY A MAJORITY OF 23
VOTES, 288-265. THE LEFT-WING MOTION TO INCREASE
FURTHER THE CUTS PROPOSED BY THE GOVERNMENT WAS DE-
FEATED 214-77, A MAJORITY OF 137 WHICH SAW THE CONSERVA-
IVES ABSTAINING. THE REVOLT BY THE LEFT-WING DREW
TOTAL SUPPORT FROM THE TRIBUNE GROUP, ABOUT A THIRD
OF LABOR BACK-BENCH STRENGTH -- THUS TO THE EMBARRASS-
MENT OF THE GOVERNMENT THE ATTACK ON DEFENSE SPENDING
WAS CONSIDERABLY STRONGER THAN EXPECTED. THE SO-CALLED
"MINI-REVOLT" BY LABOR'S RIGHT-WING FIZZLED OUT, WITH
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LONDON 00621 01 OF 02 140119Z

ONLY 3 MPS ABSTAINING. END SUMMARY.

1. IN A SIX-AND-A-HALF HOUR DEBATE ON DEFENSE, THE
GOVERNMENT SURVIVED ATTACKS FROM THE OPPOSITION AS WELL
AS FROM LABOR LEFT-WINGERS AND MODERATES ON ITS OWN
BACK-BENCHES. FRED MULLEY, THE FOCAL POINT OF THE
THREE-PRONGED ATTACK, GAVE ONE OF HIS LAMEST PER-

FORMANCES -- DUE NO DOUBT IN PART TO THE FACT THAT HE KNEW HE WOULD HAVE A DIFFICULT TASK OF FIGHTING OFF THE OPPOSITION WHILE AT THE SAME TIME AVOIDING UNNECESSARY PROVOCATION OF HIS LEFT AND RIGHT WINGS. IN THE EVENT, HIS PERFORMANCE LACKED CONVICTION AND WHEN MULLEY SAT DOWN, SIR JOHN HALL (CONSERVATIVE, WYCOMBE) ASKED THE DEPUTY SPEAKER IF AN AMENDMENT COULD BE MOVED TO REDUCE MULLEY'S SALARY TO ONE POUND IN LIGHT OF THE SPEECH JUST MADE. THE DEPUTY SPEAKER REJECTED THE MOTION.

2. IAN GILMOUR (SHADOW CABINET SPOKESMAN FOR DEFENSE) OPENED THE DEBATE BY MOVING THAT MR. MULLEY'S SALARY SHOULD BE CUT IN HALF, ARGUING THAT BRITAIN'S DEFENSES WERE DANGEROUSLY BELOW "THE CRITICAL LEVEL". HE STRONGLY CALLED FOR MULLEY'S RESIGNATION ASSERTING THAT THE SECRETARY OF STATE HAD LOST THE CONFIDENCE OF THE ARMED FORCES AND OF BRITAIN'S ALLIES.

3. ARGUING THAT THE CHIEFS OF STAFF HAD GONE TO SEE THE PRIME MINISTER BECAUSE THEY ARE GRAVELY ALARMED ABOUT THE LEVEL OF BRITAIN'S DEFENSE EFFORT, GILMOUR DEMANDED THAT THEY BE ALLOWED "TO SPEAK FOR THEMSELVES". GILMOUR ACCUSED THE GOVERNMENT OF ABDICATING ITS RESPONSIBILITY FOR DEFENSE TO PLACATE ITS LEFT-WING AND THUS IT HAD PUT PARTY INTERESTS BEFORE THE COUNTRY'S NEEDS. GILMOUR PLEDGED THAT A CONSERVATIVE GOVERNMENT WOULD STRENGTHEN BRITAIN'S DEFENSES. (ENOCH POWELL, ULSTER UNIONIST, DOWN SOUTH, HOWEVER, CRITICIZED THE CONSERVATIVES FOR FAILING TO PUT FORWARD AN ALTERNATIVE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LONDON 00621 01 OF 02 140119Z

DEFENSE POLICY TO THAT PROPOSED BY THE GOVERNMENT: "IT IS NOT GOOD ENOUGH FOR US TO BE DEBATING CRUCIAL MATTERS OF DEFENSE WITHOUT HAVING, EVEN IN OUTLINE, THE ALTERNATIVE PROPOSITION . . ." POWELL ABSTAINED IN THE VOTE.)

4. SHOUTING TO MAKE HIMSELF HEARD AGAINST AN OPPOSITION CHORUS OF CHANTS URGING HIS "RESIGNATION", FRED MULLEY SAID THAT GILMOUR'S "SERIOUS AND OUTRAGEOUS ALLEGATIONS" AGAINST THE GOVERNMENT COULD NOT BE "SUSTAINED BY THE FACTS". AGAINST A BACKGROUND OF CONTINUOUS CONSERVATIVE JEERING, MULLEY DEFENDED THE GOVERNMENT'S RECORD, STRESSING THAT BRITAIN'S "COMMITMENT TO NATO IS ABSOLUTE". HE SAID CLAIMS THAT BRITAIN'S DEFENSES ARE BEING DRASTICALLY REDUCED "BELOW A LEVEL OF SAFETY ARE COMPLETE NONSENSE". THE BRITISH CONTRIBUTION TO NATO IS "A MAJOR ONE IN QUANTITY AND ESPECIALLY IN QUALITY . . . THE VALUE OF BRITISH FORCES TO THE ALLIANCE IS SUBSTANTIAL . . ." MULLEY RECOGNIZED THAT BECAUSE OF THIS ". . . OUR ALLIES HAVE LOOKED WITH CONCERN AT THE CUTS

WE HAVE HAD TO MAKE IN THE DEFENSE BUDGET -- BECAUSE WE
PLAY SO IMPORTANT A ROLE IN NATO PLANS AND ITS STATE OF

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 LONDON 00621 02 OF 02 131744Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-04 H-01 INR-07 L-03 NSAE-00
NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 ACDA-07 OMB-01
TRSE-00 SAJ-01 /067 W

-----140134Z 032322 /64

R 131729Z JAN 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 9447
SECDEF WASHDC
INFO USMISSION NATO BRUSSELS
USCINCEUR
USNMR SHAPE
CINCUSAREUR
CINCUSNAVEUR
CINCUSAFE

LIMITED OFFICIAL USE SECTION 02 OF 02 LONDON 00621

READINESS . . ."

5. MULLEY ACCEPTED THAT THE CHIEFS OF STAFF WISHED
"TO SPEND MORE ON DEFENSE" AND THAT THEY COULD MAKE A
STRONG CASE FOR DOING SO "IN MILITARY TERMS". HE AR-
GUED, HOWEVER, THAT THEIR ADVICE TO MINISTERS "IS CON-
FIDENTIAL". THEY MUST ALSO ACCEPT POLITICAL DECISIONS
MADE BY MINISTERS AND PARLIAMENT -- AND THIS WAS THE
POSITION IN THIS CASE. MULLEY SAID THAT AS BRITAIN'S
ECONOMIC POSITION IMPROVED SO BRITAIN WOULD BE ABLE
TO MAKE "A GREATER CONTRIBUTION TO NATO".

6. WINDING UP FOR THE OPPOSITION, WINSTON CHURCHILL
(CONSERVATIVE FRONT-BENCH SPOKESMAN FOR DEFENSE) IN
HIS FIRST MAJOR SPEECH AS A DEFENSE SPOKESMAN, SPOKE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LONDON 00621 02 OF 02 131744Z

WITH VIGOR, CONVICTION -- AO
WLOOD#COMMAND OF
HIS BRIEF WITH EFFECT -- ARGUING THAT THE CONSERVATIVES,
WHEN IN POWER, WOULD REVERSE "THE RECENT DISASTROUS
TREND" OF DEFENSE CUTTING. HE CALLED FOR THE CHIEFS OF
STAFF TO APPEAR BEFORE A SELECT COMMITTEE OF THE HOUSE
"... SO THAT THEY CAN SPEAK FOR THEMSELVES, AND NOT
HAVE THEIR PROTESTS SWEEPED UNDER THE CARPET IN A SHODDY
OFFHAND WAY". CHURCHILL EMPHASIZED STRONGLY THE THREAT
POSED BY THE SOVIET UNION'S GROWING MILITARY STRENGTH
AND, OF ALL THE SPEAKERS IN THE DEBATE, SHOWED HIMSELF
TO BE VERY WELL BRIEFED ON THE SPECIFICS OF THIS ASPECT
OF SOVIET POLICY.

7. WINDING UP FOR THE GOVERNMENT, DR. JOHN GILBERT
(MINISTER OF STATE FOR DEFENSE) SHOT DOWN MR. WILLIAMS'
(CHAIRMAN OF PARLIAMENTARY LABOR PARTY DEFENSE GROUP)
SUGGESTION THAT THE ARMY AND RAF BE MERGED (REFTEL A)
AS THIS WOULD NOT YIELD LARGE-SCALE ECONOMIES. GILBERT
ACCEPTED THAT THERE HAD BEEN A "SYSTEMATIC RUNDOWN" OF
BRITAIN'S DEFENSE COMMITMENT OVER THE LAST SEVERAL YEARS
BUT AS A RESULT BRITAIN WAS ABLE TO CONCENTRATE ON ITS
NATO COMMITMENT. IT IS POSSIBLE, THEREFORE, TO ACCOM-
MODATE THE CUTS "WITHOUT SERIOUS IMPACT ON OPERATIONAL
CAPABILITY". HE SAID THAT BRITAIN'S CONTRIBUTION TO THE
ALLIANCE "IN PERCENTAGE TERMS" WAS HIGHER THAN ANY
OTHER EUROPEAN COUNTRY AND THUS THE DEFENSE MINISTER
"COULD HOLD HIS HEAD HIGH".

8. COMMENT: VERY LITTLE IN THE WAY OF USEFUL HARD
INFORMATION CONCERNING THE SPECIFICS OF HOW MUCH AND
WHERE IN THE DEFENSE PROGRAM THE GOVERNMENT INTENDS
TO CUT EMERGED FROM YESTERDAY'S DEBATE. MULLEY
CLAIMED THAT THE DETAILS HAD STILL TO BE FINALIZED BUT
DISCLOSED, IN BROAD TERMS, SOME ELEMENTS OF THE HEALEY
300-MILLION-POUND DECEMBER PACKAGE AS FOLLOWS: FOR
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LONDON 00621 02 OF 02 131744Z

FY 1977/78 HE SAID SAVINGS OF 70 TO 80 MILLION POUNDS
ARE EXPECTED FROM "THE WORKS PROGRAM" AND ABOUT ANOTHER
80 MILLION POUNDS SAVINGS FROM DEFERRING EQUIPMENT PRO-
CUREMENT FOR ALL THREE SERVICES. THIS INCLUDED DEFER-
MENT OF SPENDING ON AEW SINCE NATO HAS NOT YET MADE A
DECISION. ANOTHER 50-MILLION-POUND SAVING WOULD BE
FOUND THROUGH ADMINISTRATIVE AND SUPPORT ECONOMIES.

9. THROUGHOUT THE DEBATE, WHICH AT TIMES WAS BITTER, THE GOVERNMENT TOOK AS MUCH OR PERHAPS EVEN MORE FROM THE ATTACKS OF ITS OWN LEFT-WING AND RIGHT-WING MEMBERS AS IT DID FROM THE OPPOSITION. IT IS VERY CLEAR THAT DEFENSE AND DEFENSE SPENDING ARE ISSUES WHICH WILL CONTINUE TO EXACERBATE RELATIONS WITHIN THE PARTY AND KEEP IT DIVIDED ON THIS IMMENSELY EMOTIONAL ISSUE. WHILE THE GOVERNMENT WAS SAVED FROM SUFFERING A DEFEAT ON THIS DEFENSE VOTE AT THIS TIME, THE SITUATION WITHIN THE PARTY ON THIS ISSUE LEAVES THE GOVERNMENT IN A WEAK POSITION TO PURSUE ANYTHING MORE THAN A HOLDING ACTION ON DEFENSE SPENDING UNTIL THE ECONOMIC SITUATION HERE IMPROVES SUBSTANTIALLY.

ARMSTRONG

NOTE BY OCT: #TEXT AS RECEIVED.

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, MILITARY BUDGET, POLITICAL SITUATION, AMENDMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 13-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LONDON00621
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770014-0024
Format: TEL
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770156/aaaabwlv.tel
Line Count: 242
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: e31605da-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 LONDON 401
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3607980
Secure: OPEN
Status: NATIVE
Subject: DEBATE ON UK DEFENSE SPENDING
TAGS: MPOL, UK, NATO
To: STATE DOD
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/e31605da-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009